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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 30, 2004

Charlie Buckels, Treasurer
Republican Party of Louisiana
7916 Wrenwood Blvd. Suite E
Baton Rouge, LA 70809

Response Due Date:
July 30, 2004

Identification Number: C00187450

Reference: Amended October Quarterly Report (7/1/03-9/30/03), received 1/27/04

Dear Mr. Buckels:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Your report does not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §100.24 defines as Federal Election Activity, services provided by an employee of a State, district or local party committee who spends more than 25 percent of their time during that month on activities in connection with a Federal election. You are advised that payments for salaries and wages for employees who spend more than 25 percent of their compensated time in a given month on Federal Election Activity or activities in connection with a Federal election must be made with Federal funds only. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

-Schedule B supporting Line 21(b) of your report discloses a payment(s) totaling \$33,746.41 for "Printing Of Direct Mail, Postage For Direct Mail, Telemarketing Expenses, Telemarketing Fundraising, and Telephone EXP V2002" Expenditures and disbursements for public communications (as defined under 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR

§100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s). However, public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please amend your report to properly disclose this activity or provide clarifying information.

-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Employee Insurance and Payroll Taxes". Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Telephone Expense, Publication, Issue Ad Mail- V2002, and Advanced Postage Deposit". Please be advised that pursuant to 11 CFR §300.33(c)(1), expenditures for public communications (as defined by 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any such candidate for Federal office must not be allocated between or among federal and non-federal accounts. Only federal funds may be used.

Further, expenditures and disbursements for public communications that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s). However, public communications that meet the definition of

Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please amend your report to properly disclose this activity.

If this activity was categorized incorrectly, the Commission recommends that you immediately transfer the funds received by your federal account for this activity back to the non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Schedule H4 of your report discloses an apparent contribution to "Transportation- Gov. Perry to Stamp". Please be advised that contributions and transfers to federal committees and/or non-federal committees/organizations do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Transfers to affiliated committees should be disclosed on Schedule B supporting Line 22 of the Detailed Summary Page, contributions to federal committees should be disclosed on a Schedule B supporting Line 23 of the Detailed Summary Page and contributions to non-federal committees/organizations on a separate Schedule B supporting Line 29. Any reimbursement from your committee's non-federal account for any portion of this contribution(s) is not permissible. 11 CFR §102.5(a)(1)(i)

The Commission recommends that you immediately transfer the funds received by your federal account, as reimbursement for the non-federal portion, back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each state, district or local party committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses (excluding salary) between the accounts according to a fixed percentage selected on FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each calendar year. Payments for salary and wages for

employees who spend more than 25% of their compensated time on Federal election activities or on activities in connection with a Federal election must be made from a federal account and disclosed on a Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §106.7

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be provided during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

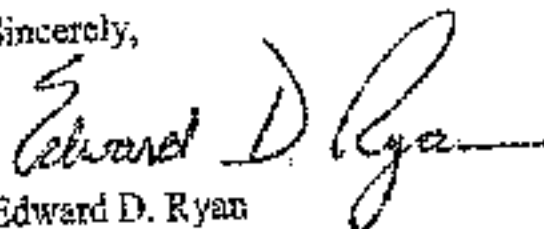
-Please clarify all expenditures for "voter registration" ("Booth for Voter Registration"), and "GOTV". If any of these activities referenced House or Senate candidates, they should be attributed accordingly, unless merely incidental to the overall activity. If a portion or all of these expenditures were made on behalf of federal candidates, they should be reported on Schedules B, E, or F for Lines 23, 24, or 25 of the Detailed Summary Page, as appropriate.

-Please clarify all expenditures made for "Promotional Items, Stampede to Victory Hotel Expense, Stampede-Stage and Audio, Facility Rental, and Advertising for Stampede, Supplies For RWR Event, Supplies For Red White Roux Fundrai, Postage For J C Watts Event Invites, Deposit For Red, White & Roux, Facility Rental For J C Watts Event, Band For RWR Entertainment, Band Expense For Red White & Roux, Photographer For RWR Fundraiser, Gift Baskets For Red White & Roux, Red White & Roux Printing, Printing For RWR, Red White & Roux - Stage & Audio, Facility Rental- J C Watts Event, RWR Invitations Postage Deposit, RWR Invitation Postage" on Schedule(s) and B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E, or F supporting Lines 23, 24, or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions of time in which to respond will not be considered. Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division) or my local number (202) 694-1144.

Sincerely,



Edward D. Ryan
Campaign Finance Analyst
Reports Analysis Division

